

Grants Monitoring, Reconciliation and Verification

The mission of the Board of Water and Soil Resources is to improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners. Among the agency's core values are those of **empowerment** and **accountability**. Just as we trust those "on the ground" to identify opportunities and implement long-term solutions, so do we verify the results that our partners produce with the resources that we share. Local empowerment and accountability go hand in hand.

State grant management policies, as issued by the Office of Grants Management (OGM) of the Department of Administration, also demand accountability. BWSR issues most of its grants in advance payments. Policy 08-08, Grant Payments, allows advance payments in certain situations, but charges agencies making them to verify that the grant recipient will be able to account for the grant funds[, based on an evaluation of the grant recipient's financial statements]. Policy 08-10, Grant Monitoring, requires a financial reconciliation of grant recipient's expenditures at least once during the grant period on grants of over \$50,000.

In 2011, to consolidate its compliance with OGM policies, the BWSR Board adopted a "Grants Monitoring, Reconciliation and Verification Policy" (GMRVP). This policy requires:

- That BWSR staff annually monitor all grants;
- That competitive conservation program grants be paid in three scheduled payments and;
- That financial verification of grant reconciliations will be performed on ten percent of all BWSR grants annually.

The GMRVP enhances our oversight of the state grant funds that we issue to our local partners. Its ultimate goal is to ensure that public funds are spent for the purposes that they were given. More specifically, it is meant to ensure that our grant recipients are complying with the terms and conditions of the grant agreements. Compliance is often seen as a "gotta do," something that takes away from the conservation mission of BWSR and its local partners. In reality, compliance is a conservation issue too, because the more financial resources we "conserve"—or ensure are being used for the purposes they were given—the more real conservation we can practice.